

Section III

The Impact of Tourism Advertising



Advertising ROI for Seminole County

A look at the financial payback of tourism advertising for Seminole County.

A Look at the Seminole Visitor by Advertising Segment

How different are the advertising segments and what impact do they have on Seminole County?

The Leisure Traveler

The Empty Nest

The Nature / Heritage Traveler

The Sports Traveler

The Internet and Other Marketing Influences

How does the Internet and other marketing outlets influence travelers' decisions to travel?

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The ROI of Advertising



How do you measure the success of an advertising program?

The purpose of the Media Conversion Study is to determine the effectiveness of the current advertising outlets. The study analyzes the relationship between advertising, inquiries, and actual visitation. There are a combination of measures used to determine the effectiveness of advertising. First, a conversion rate of inquirer to actual visitor is determined through surveys. The conversion rates are identified at the media source level (example, Readers Digest magazine) when possible and at the media category level (example, sports magazine) when the single media source data is not reliable. Data is collected from the inquirer to determine whether or not they visited Seminole County. If they visited, the study measures the financial payback through the visitor's expenditures during their visit.

This study explores the effectiveness and the resulting benefits of Seminole County's domestic print and Internet advertising as described by the 2001-2002 media plan. The media plan is broken down by potential target segments. The target segments can be characterized by demographics or by trip-type: Leisure (general consumer visitor), Sports (participant or spectator), Nature/Heritage, and Empty Nest (older baby-boomers who have no children at home).

It is important to note that these segments or labels (Sports, Empty Nest, ...) are for the purposes of identifying the media group that generated the visit. It does not, however, solely characterize the purpose of the visit. While a person may have been prompted to visit because of an advertisement in the Leisure group, it does not mean that they did not participate in Sports or Nature activities. Moreover, while a person may have been prompted to visit because of an advertisement in a Sports magazine, it does not necessarily imply that they participated in any sporting activity.

Common Measures and Definitions

Advertising	Domestic print and Internet advertising.
Inquirer	An individual who requests information about Seminole County through media sources, websites, or 800#.
Converted	Inquirers who visit Seminole County.
Non-Converted	Inquirers who do NOT visit Seminole County.
Conversion Rate	The estimated percentage of inquirers who become visitors to Seminole County.
Cost per Inquirer	The cost expended on media per every inquiry attributed to media.
Cost per Conversion	The cost expended on media per visitor.
ROI or Return	Visitor expenditures because of media conversion compared to the total advertising cost. Expressed as dollars spent by converted visitor for every \$1 in advertising cost.

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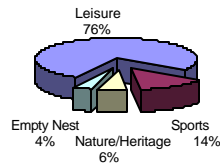
The ROI of Advertising



How does tourism advertising benefit Seminole County?

- Advertising generated \$4.1 million in visitor expenditures in 2002 which is equal to 2001.
- Of the \$4.1 million in visitor expenditures, 76% are attributed to the general Leisure group -- the largest group of visitors. Although Sports is one of the smaller groups, it captured 14% of the total visitor dollars.
- Tourism advertising has a return of 34 times its dollar investment. In other words, every \$1 in advertising resulted in \$34 (\$33.94) in visitor expenditures.
- For every dollar spent on advertising to Sports Visitors, they in-turn spent \$72.36 while in Seminole County. The Sport Visitor segment, while the smallest, had the greatest return per advertising dollar.

Share of Total Visitor Dollars

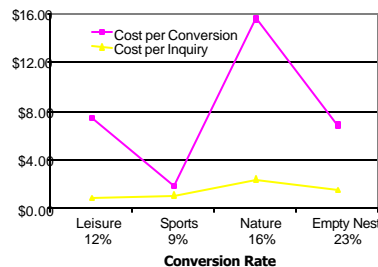


Return per Advertising Dollar

Sports	Leisure	Empty Nest	Nature/Heritage
\$72.36	\$33.51	\$19.59	\$10.29

How effective is tourism advertising in Seminole County?

- The overall Inquiry Conversion rate is 15% which is up slightly from last year.
- With an Inquiry Conversion rate of 15%, the Cost per Conversion is \$8 compared to \$9 last year.
- The Cost per Inquiry* is \$1.50.
- Nature advertising had the highest Cost per Conversion; Sports had the lowest Cost per Conversion.
- All segments had a low Cost per Inquiry.
- Sports had the smallest Conversion Rate at 9%. Empty Nests had the best Conversion Rate.



* Why is your Cost per Inquiry much smaller than my Cost per Lead? Cost per Lead is based upon one person (one inquiry) while Cost per Inquiry is based upon the number of people who potentially will travel (number of people in party). We do this to account for those who travel in large groups like a sports team.

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The Leisure Visitor



How effective is the Leisure advertising?

- Cost Per Inquiry is slightly less than \$1.
- Conversion rate is 12%.
- Cost per Conversion is \$7.40.

What is the impact of the Leisure visitor?

- For every \$1 spent in advertising, the Leisure visitor spends \$33.51.
- The Leisure segment spent approximately \$3.1 million.

The Leisure Visitor

- 43% of Leisure visitors first became aware about Seminole County through Relatives and/or Friends.
- 14% became aware of Seminole County solely through advertising while 12% first found Seminole on a Web site.
- 35% of the Leisure segment recall advertising on Cable Television.
- 91% believe that the advertising portrays an accurate image of Seminole County.
- The Leisure visitors have a variety of images of Seminole County ranging from a Nature, Business, or Sports destination. 19% had no set image of Seminole County before they traveled.
- Over one-third of Leisure visitors had a change in their image after they visited.
- 28% sought out information before coming to Seminole County. Of those, 5% contacted the CVB in some way while 36% used the Internet.

In almost all cases, the change in image after visiting Seminole County can be characterized by the following statements:

- More crowded than I thought.
- Bad traffic.
- More businesses than I thought.

Became Aware By	Leisure
Advertisement	12%
Articles in newspaper/magazine	6%
Travel agent	1%
Relative/friends	43%
Travel guides or books	5%
Web site	12%
Airlines	1%
State/city/county tourism office	5%
Employer	0%
Used to live here	15%
Don't Remember	0%
Other	0%
Advertising Outlet	
Newspaper	9%
Magazine	10%
Broadcast Television	16%
Cable Television	35%
Don't Remember	3%
Other	26%
Advertising Portrays Accurate Image	
Yes	91%
No	9%
Image Before Visit	
Nature and parks destination	21%
Historic destination	13%
Business destination	20%
Sports destination	27%
Other	0%
No image	19%
Image Changed After Visit	
Yes	36%
No	64%
Called/Wrote for Info Before Visit	
No	72%
Yes, but it did not come	0%
Yes	28%
Information from Where	
Conference and Visitors Bureau	5%
Chamber of Commerce	2%
Internet	36%
I don't remember/I don't know	12%
Friends, Business, Travel Agent	45%
Materials Influential in Decision	
Yes	46%
No	54%

Source: Choice Media Survey 2002; Choice Survey 2002
2003 Choice Communications Systems Inc.

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The Leisure Visitor



Leisure advertising details

Consumer Leisure	Cost Per Inquiry	Conversion	Cost Per Conversion	Return
FLA USA Southern Living SPRING FLA Travel Section	\$0.12	10%	\$1.23	\$109.11
Family Travel Spring 2002 / Compass Marketing	\$0.34	22%	\$1.55	\$86.70
go2orlando.com - Online advertising	\$0.26	10%	\$2.55	\$62.58
QOCCVB Newspaper Free Standing Insert	\$0.28	9%	\$3.10	\$43.31
FLA USA Official Vacation Guide Domestic	\$0.34	10%	\$3.38	\$39.65
FLA USA Internet / Family & Kids Home Page Sponsorship	\$0.34	10%	\$3.44	\$38.96
FLA USA Internet / Orlando/Kissimmee Home Page	\$0.56	12%	\$4.66	\$28.79
FLA USA Newspaper Insert Spring In-State/PrePrint	\$0.42	8%	\$6.28	\$25.41
Newspaper Insert - Fall 2001 (September) Out of State / PrePrint	\$0.63	10%	\$6.28	\$21.36
FLA USA Parade Magazine	\$0.45	7%	\$6.38	\$21.00
FLA USA Internet / Daytona Home Sponsorship	\$1.04	14%	\$7.41	\$18.08
QOCCVB Visitors Guide (Spring and Fall Editions)	\$0.76	8%	\$9.46	\$14.18
AAA Go Magazine	\$1.74	17%	\$10.26	\$13.07
FLA USA Great Getaways	\$1.86	14%	\$13.29	\$10.09
FLA USA Internet / Tampa Home Sponsorship	\$2.40	13%	\$18.43	\$7.28
FLA USA Internet / Interests Home Page Sponsorship	\$2.05	10%	\$20.48	\$6.55
Total	\$0.85	12%	\$7.38	\$33.51

- The Leisure category had far more advertising outlets than any other category.
- FLA USA Southern Living advertisement had the greatest return for the advertising dollar.
- Go2Orlando.com was the top internet site in terms of return. Many visitors became aware of Seminole for the first time using this site.
- The 'spring' outlets tend to have a better return for the advertising dollar.
- AAA Go Magazine has a long 'shelf life' and its conversion rate will most likely improve overtime.
- The Daytona Home Page Sponsorship had nearly the same conversion rate, however the return on the advertising dollar for Daytona was twice that of Tampa.

Guidelines

- Many factors can influence the year-b-year performance of an advertising outlet. Trending is precarious at best. Conversion rates are best used as a relative ranking and not an absolute determination of performance.
- The Cost Per Conversion should be weighed with the Return on investment. Cost per Conversion may be high, but the return could be greater.
- **Return** on your advertising dollar is a key performance indicator. Return is an estimate of visitor expenditures compared to the cost of advertising. It is expressed as dollars spent by converted visitor for every \$1 in advertising cost.

Source: Choice Media Survey 2002; Choice Survey 2002
2003 Choice Communications Systems Inc.

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The Empty Nest Visitor



How effective is the Empty Nest advertising?

- Cost Per Inquiry is \$1.60.
- Conversion rate is 23%.
- Cost per Conversion is \$6.90.

What is the impact of the Empty Nest?

- For every \$1 spent in advertising, the Empty Nest visitor spends \$20.
- The Empty Nest segment spent approximately \$156,000.

Empty Nest advertising details

- The only publication in the Empty Nest category that could be measured with reliability was FLA USA Readers Digest Co-op. This publication has a very long shelf life and its conversion rate will increase with time.
- Readers Digest does not necessarily attract the higher income households. It is likely that the conversion rate will improve as the economy improves.
- Almost half of the Empty Nest segment first became aware of Seminole County through Relatives and/or Friends.
- 42% of this segment had seen Seminole advertising on Cable television.
- 29% of the Empty Nest segment had the image of a Sports destination.

Became Aware By Empty Nest

Advertisement	4%
Articles in newspaper/magazine	9%
Travel agent	0%
Relative/friends	47%
Travel guides or books	6%
Web site	13%
Airlines	0%
State/city/county tourism office, brochure	6%
Employer	0%
Used to live here	15%
Don't Remember	0%
Other	0%

Advertising Outlet	
Newspaper	10%
Magazine	10%
Broadcast Television	10%
Cable Television	42%
Don't Remember	3%
Other	26%

Advertising Portrays Accurate Image	
Yes	90%
No	10%

Image Before Visit	
Nature and parks destination	20%
Historic destination	17%
Business destination	13%
Sports destination	29%
Other	0%
No image	21%

Image Changed After Visit	
Yes	34%
No	66%

Called/Wrote for Info Before Visit	
No	79%
Yes, but it did not come	0%
Yes	21%

Information from Where	
Conference and Visitors Bureau	8%
Chamber of Commerce	8%
Internet	36%
I don't remember/I don't know	4%
Friends, Business, Travel Agent	44%

Materials Influential in Decision	
Yes	38%
No	63%

Source: Choice Media Survey 2002; Choice Survey 2002
2003 Choice Communications Systems Inc.

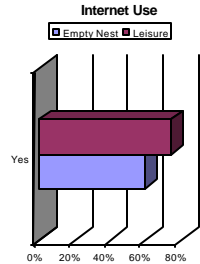
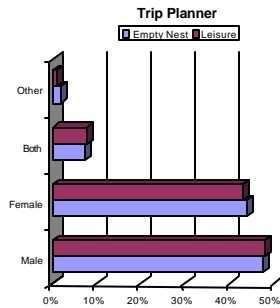
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The Empty Nest Visitor



Empty Nest and Leisure Comparison

- Of interest, the profile of the Empty Nest and the Leisure visitor are quite similar.
- Empty Nest is more likely to stay in Seminole as part of a larger trip. They are also less likely to be new to the County.
- Leisure visitors are more likely to be Internet users.
- Empty Nests are more likely to be married.
- On average, the Empty Nest has a slightly lower income.



Source: Choice Media Survey 2002; Choice Survey 2002
2003 Choice Communications Systems Inc.

	Empty Nest	Leisure
Lodging		
Hotel	86%	88%
Friends/Family	12%	11%
Other	3%	1%
Transportation		
Plane - Orlando International	22%	20%
Plane - Orlando Sanford Interna	1%	2%
Plane - Other airport	2%	2%
Your own car	39%	37%
Rental car	19%	22%
Taxi service/shuttle	1%	2%
Leisure Trip Planner		
Male	47%	48%
Female	44%	43%
Both	7%	8%
Other	2%	1%
Part of Larger Trip		
No	40%	55%
Yes	60%	45%
First Time in Seminole		
No	86%	79%
Yes	14%	21%
Trip Activities		
Nature parks or recreational are	20%	17%
Shopping	48%	46%
Sports event	20%	26%
Golf	2%	3%
Guided cruise or tour	4%	2%
Special event	6%	5%
Other	0%	0%
Internet Use		
Yes	59%	74%
No	41%	26%
Marital Status		
Single	26%	32%
Married	74%	68%
Household Income		
below \$25,000	5%	4%
\$25,000 to \$49,999	21%	19%
\$50,000 to \$74,999	14%	23%
\$75,000 to \$85,000	12%	10%
\$85,000 to \$99,999	3%	4%
\$100,000 or greater	25%	26%

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The Nature/Heritage Visitor



How effective is the Nature/Heritage advertising?

- Cost Per Inquiry is \$2.40.
- Conversion rate is 16%.
- Cost per Conversion is \$15.

What is the impact of the Nature/Heritage visitor?

- For every \$1 spent in advertising, the Nature/Heritage visitor spends \$10.30.
- The Nature/Heritage segment spent approximately \$246,000.

Nature/Heritage advertising details

Nature	Cost Per Inquiry	Conversion	Cost Per Conversion	Return
Audubon Magazine	\$1.36	18%	\$7.55	\$17.77
FLA USA Internet / Nature Home Page Sponsorship	\$3.08	15%	\$20.56	\$6.52
FLA USA Undiscovered Florida	\$2.88	14%	\$20.43	\$6.56
Total	\$2.43	16%	\$15.54	\$10.29

- There are three advertising outlets in this category.
- The Audubon Magazine had the lowest Cost per Conversion and the highest Return.
- Over half of this segment first became aware of Seminole through Relatives and/or Friends.
- Only 2% first became aware of Seminole through advertising.
- 20% lived in Seminole previously.
- 32% saw Seminole cable advertising.
- 100% of the segment believed that the advertising accurately portrayed Seminole County.
- 20% sought out information before traveling. Of those, 55% used the Internet.

Became Aware By Nature/Heritage

Advertisement	2%
Articles in newspaper/magazine	0%
Travel agent	0%
Relative/friends	56%
Travel guides or books	0%
Web site	17%
Airlines	0%
State/city/county tourism office, etc.	5%
Employer	0%
Used to live here	20%
Don't Remember	0%
Other	0%

Advertising Outlet

Newspaper	5%
Magazine	11%
Broadcast Television	21%
Cable Television	32%
Don't Remember	5%
Other	26%

Advertising Portrays Accurate Image

Yes	100%
No	0%

Image Before Visit

Nature and parks destination	23%
Historic destination	14%
Business destination	22%
Sports destination	18%
Other	0%
No image	24%

Image Changed After Visit

Yes	42%
No	58%

Called/Wrote for Info Before Visit

No	80%
Yes, but it did not come	0%
Yes	20%

Information from Where

Conference and Visitors Bureau	10%
Chamber of Commerce	0%
Internet	55%
I don't remember/I don't know	5%
Friends, Business, Travel Agent	30%

Materials Influential in Decision

Yes	38%
No	63%

Source: Choice Media Survey 2002; Choice Survey 2002
2003 Choice Communications Systems Inc.

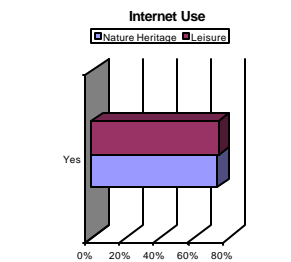
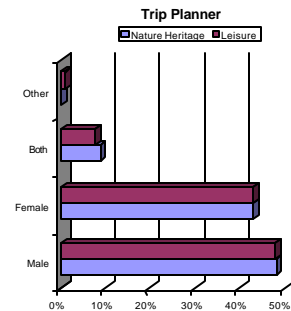
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The Nature/Heritage Visitor



Nature/Heritage and Leisure Comparison

- Only 64% of the Nature/Heritage segment spend the night in a hotel or motel compared to 88% of the Leisure segment.
- The Nature/Heritage segment is more likely to visit Seminole as part of a larger trip.
- They are equal to the general Leisure visitor in their use of the Internet.
- The Leisure visitor is more likely to be married.



Source: Choice Media Survey 2002; Choice Survey 2002
2003 Choice Communications Systems Inc.

	Nature/Heritage	Leisure
Lodging		
Hotel	64%	88%
Friends/Family	34%	11%
Other	3%	1%
Transportation		
Plane - Orlando International	23%	20%
Plane - Orlando Sanford Interna	1%	2%
Plane - Other airport	3%	2%
Your own car	34%	37%
Rental car	17%	22%
Taxi service/shuttle	3%	2%
Leisure Trip Planner		
Male	48%	48%
Female	43%	43%
Both	9%	8%
Other	0%	1%
Part of Larger Trip		
No	49%	55%
Yes	51%	45%
First Time in Seminole		
No	75%	79%
Yes	25%	21%
Trip Activities		
Nature parks or recreational area	43%	17%
Shopping	34%	46%
Sports event	12%	26%
Golf	2%	3%
Guided cruise or tour	4%	2%
Special event	5%	5%
Other	0%	0%
Internet Use		
Yes	73%	74%
No	27%	26%
Marital Status		
Single	41%	32%
Married	59%	68%
Household Income		
below \$25,000	6%	4%
\$25,000 to \$49,999	26%	19%
\$50,000 to \$74,999	21%	23%
\$75,000 to \$99,999	9%	10%
\$100,000 or greater	3%	4%

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The Sports Visitor



How effective is the Sports advertising?

- Cost Per Inquiry is \$1.12.
- Conversion rate is 9%.
- Cost per Conversion is \$1.90.

What is the impact of the Sports visitor?

- For every \$1 spent in advertising, the Sports visitor spends \$72.
- The Sports segment spent approximately \$577,000.

Sports advertising details

- The only publication in the Sports category that could be measured with reliability was the FLA USA Play Golf 2002 Publication. The measures above represent that publication.
- 16% of the Sports segment first became aware of Seminole through advertising.
- Only 29% heard about Seminole through Relatives and/or Friends.
- 30% saw Seminole advertising on Cable. 24% noted 'other' advertising outlets such as 'team announcements' and other local sporting organizations' newsletters.
- Although 46% believed Seminole had an Sports image, another 40% had a variety of images, such as, Nature/Parks, Historic, and Business.
- 40% sought information before their visit. Of those, one-third used the Internet.

Became Aware by Sports

Advertisement	16%
Articles in newspaper/magazine	10%
Travel agent	0%
Relative/friends	29%
Travel guides or books	6%
Web site	22%
Airlines	0%
State/city/county tourism office	4%
Employer	0%
Used to live here	14%
Don't Remember	0%
Other	0

Advertising Outlet

Newspaper	9%
Magazine	19%
Broadcast Television	16%
Cable Television	30%
Don't Remember	5%
Other	24%

Advertising Portrays Accurate Image

Yes	89%
No	11%

Image Before Visit

Nature and parks destination	16%
Historic destination	10%
Business destination	14%
Sports destination	46%
Other	0%
No image	15%

Image Changed After Visit

Yes	39%
No	61%

Called/Wrote for Info Before Visit

No	60%
Yes, but it did not come	0%
Yes	40%

Information from Where

Conference and Visitors Bureau	9%
Chamber of Commerce	0%
Internet	33%
I don't remember/I don't know	17%
Friends, Business, Travel Agent	41%

Materials Influential in Decision

Yes	44%
No	56%

Source: Choice Media Survey 2002; Choice Survey 2002
2003 Choice Communications Systems Inc.

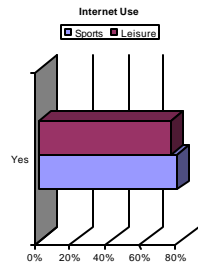
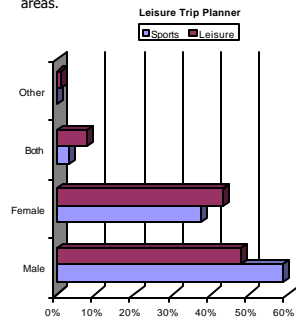
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The Sports Visitor



Sports and Leisure Comparison

- The Sports segment is the only segment more likely than the Leisure segment to stay in a hotel or motel.
- Seminole County is more likely to be their sole destination-- not part of a larger trip.
- Although a sporting event is the primary activity, visitors in this segment also Shop and visit Nature Parks or other Recreational areas.



	Sports	Leisure
Lodging		
Hotel	96%	88%
Friends/Family	3%	11%
Other	1%	1%
Transportation		
Plane - Orlando International	18%	20%
Plane - Orlando Sanford Internat	0%	2%
Plane - Other airport	1%	2%
Your own car	44%	37%
Rental car	21%	22%
Taxi service/shuttle	1%	2%
Leisure Trip Planner		
Male	59%	48%
Female	38%	43%
Both	3%	8%
Other	0%	1%
Part of Larger Trip		
No	70%	55%
Yes	30%	45%
First Time in Seminole		
No	80%	79%
Yes	20%	21%
Trip Activities		
Nature parks or recreational area	10%	17%
Shopping	30%	46%
Sports event	50%	26%
Golf	5%	3%
Guided cruise or tour	2%	2%
Special event	3%	5%
Other	0%	0%
Internet Use		
Yes	77%	74%
No	23%	26%
Marital Status		
Single	27%	32%
Married	73%	68%
Household Income		
below \$25,000	2%	4%
\$25,000 to \$49,999	16%	19%
\$50,000 to \$74,999	25%	23%
\$75,000 to \$99,999	11%	10%
\$100,000 or greater	28%	26%

Source: Choice Media Survey 2002; Choice Survey 2002
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The Internet and Other Influences



Traveler's Use of the Internet

- It is important to note that many respondents see advertising through traditional methods (magazine, newspaper, cable, etc.) before using the Internet. The Internet is a key part of the advertising puzzle. Many potential travelers use the Internet to gather more information after being prompted through advertising.¹
- The market of 96 million online travelers has grown 256% from 1996, when only 27 million travelers used the Internet. Among the 143.3 million U.S. travelers today, 67% use the Internet. Frequent travelers taking five or more trips annually, have an even higher likelihood of using the Internet (47%).²
- The demographics of travelers who use the Internet continue to change. Over the past year, there has been an increase in women travelers, households with children, and households with an annual income of under \$50,000.²
- For online trip planning, online travel agency websites (such as Expedia, Travelocity, and Priceline), search engine websites, and company-owned websites (airlines, hotels, etc.) are the most popular types of websites used. A majority of online travel planners also use destination websites.²
- Online travel planners do a variety of trip planning activities on the Internet. The most popular are searching for airfares/schedules, maps, or driving directions, and looking for places to stay.²

Travel Media and Vacation Planning³

- Newspaper travel sections, travel-related web sites, consumer travel magazines and other travel media have a powerful influence over the way Americans plan and choose their vacation travel.
- 61% of travelers (82 million U.S. adults) said they read articles about travel or destinations in the media, or watch or listen to travel shows on TV or the radio. This is up from 55% of travelers, who said they used travel media the year before. Note, these statistics pertain to unpaid, editorial travel coverage in the media – not advertising.
- When travelers were asked what media they used in the past year to plan their vacations, 40% said they used an Internet web site for travel planning making the Internet the most used source for travel news and information. 26% of travelers said they used a motor club magazine and 25% said they read the newspaper travel section.
- However, not all media are equal in the minds of U.S. travelers. The survey found that of all types of travel media available, the Internet web sites were considered to be the most useful. 24% of media-user travelers said they found the Internet most useful, while 16% rated motor club magazines most useful and 10% rated newspaper travel sections most useful.

¹Source: Choice Media Survey 2002; Choice Survey 2002

²Source: TIA Travelers' Use of the Internet, 2002 Edition

³Source: TIA Domestic Travel Report, 2002 Edition